

### Section 3.—War-Time Control of Transportation\*

The extensive transportation systems of Canada were, in peace-time, capable of handling a much greater volume of traffic than conditions required. However, since the outbreak of war in 1939, the vastly increased movements of raw materials to the factories, and of munitions, troops, etc., to the theatres of war, have placed a heavy burden on existing transportation facilities. Early in the War, the Government took steps to ensure that the vital transportation requirements of the war effort would be met and since then many important measures have been put into effect. The chief agencies of transportation control are the Canadian Shipping Board, and the Controllers of Ship Repairs, Transport and Transit. The organization and functions of these agencies are described briefly in the following paragraphs.

**The Canadian Shipping Board.**—Immediately upon the outbreak of war, all Canadian merchant shipping was brought under government control. On Sept. 5, 1939, the Canadian Ship Licensing Board was established, and it was provided that no Canadian merchant vessel of over 500 tons engaged in foreign trade could undertake a voyage without obtaining a licence. The purpose of this was to ensure that such small merchant marine as Canada possessed would be employed to greatest advantage in the prosecution of the War. In December, 1939, the Canadian Shipping Board was established and the Ship Licensing Board was incorporated in it. The Board, given wide general powers over all Canadian shipping, consisted of senior representatives of the Departments of External Affairs, National Revenue, National Defence for Naval Service, Trade and Commerce and Transport, with the Deputy Minister of Trade and Commerce as Chairman. In addition, the Transport Controller (see p. 580) was a member and an experienced private shipping official was appointed Director of Shipping, a member of the Board, and its chief executive officer.

In December, 1941, the President of Wartime Merchant Shipping, a Crown Company established by the Department of Munitions and Supply to build merchant vessels in Canada, was added to the Board's membership. To facilitate close liaison with the United Kingdom Ministry of War Transport and with the United States Government shipping agencies, such as the United States Maritime Commission, the War Shipping Administration and the Office of Defence Transportation, the Board appointed representatives at London, England, and at Washington, D.C. A representative at Vancouver, B.C., was also appointed to assist the Board in matters relating to the Pacific Coast. Two additional experienced private shipping officials were also appointed as technical advisers, to assist the Director of Shipping in regard to Great Lakes and ocean shipping, respectively.

As noted above, the Shipping Board was vested with wide powers over Canadian shipping in the present emergency. In the spring of 1940 the Board issued orders under which no vessel exceeding 500 gross tons could be purchased or chartered without the approval of the Board's Director of Shipping. The Board's charter control was used as an instrument for co-operating with the British Ministry of War Transport, especially in the latter's early efforts to place a ceiling on soaring charter rates, and, as from Aug. 1, 1941, more stringent ceilings on these rates, similar to those established by the United States Maritime Commission on the same date, were put into effect. The co-operation of the United States in this field has been of great assistance in curbing the war-time inflation of shipping rates. On

\* This material has been compiled in co-operation with the Canadian Shipping Board, the Transport Controller, and from material published by the Department of Munitions and Supply.